

During public hearings, the Commission heard testimony regarding the predictability of school funding and revenue limits.

Traditionally, additional financial resources were provided to districts through the per pupil adjustment under the revenue limit calculation. The following table shows the per pupil adjustment for each year during the history of revenue limits.

Revenue Limit Per Pupil Adjustment

1993-94	\$190.00		
1994-95	194.37	2008-09	\$274.68
1995-96	200.00	2009-10	200.00
1996-97	206.00	2010-11	200.00
1997-98	206.00	2011-12	-5.5%
		2012-13	\$50.00
1998-99	208.88		
1999-00	212.43	2013-14	75.00
2000-01	220.29	2014-15	75.00
2001-02	226.68	2015-16	0.00
2002-03	230.08	2016-17	0.00
		2017-18	0.00
2003-04	236.98		
2004-05	241.01	2018-19	0.00
2005-06	248.48		
2006-07	256.93		
2007-08	264.12		

From 1998-99 through 2008-09, the per pupil adjustment was indexed for inflation each year. The inflation increase was the percentage change, if not negative, in the consumer price index for all urban consumers between the preceding March and second-preceding March. The inflationary adjustment was deleted in the 2009-11 budget act. From 2009-10 to 2014-15, the per pupil adjustment was set at a fixed amount (or, for 2011-12, a fixed percentage reduction) in each of the applicable biennial budget acts. The 2013-15 budget act specified that there would be no per pupil adjustment provided in 2015-16 and each year thereafter. This provision was maintained in the following two biennial budget acts.

If a per pupil adjustment is provided under revenue limits, the inflation indexing provision could also be restored. This would give districts some sense of what the per pupil adjustment would be in future years absent a subsequent change in the law. Even if the indexing provision was

restored, however, future Legislatures would be able to change the law to modify the per pupil adjustment during each biennial budget process based on overall budget priorities and economic circumstances.

ALTERNATIVES

1. Recommend that, if a per pupil adjustment is provided under revenue limits, the adjustment be annually indexed by inflation.
2. Recommend that the per pupil adjustment, if any, be determined in the biennial budget process.